

City of Florence

Budget Address – 2006

June 13, 2006

Each year, by law, the Mayor is required to present a budget message as well as a report on the State of the City. Once again this year, I have chosen to combine the two.

I will give you fiscal information, highlight the projects we have completed, report on the projects in process, communicate our progress, and take a look at our future.

In April, the City Council held a retreat to prepare for our budget and look ahead to the opportunities before us. Our council remains conservative in their approach to the operations of the City, especially during the current conditions of a recovering economy. Because of this conservative approach and the dedication of our department heads, the City has been able to deal with the budget realities in a positive manner to remain financially sound. The City anticipates an increase in revenues and expenditures for the coming fiscal year and we will continue to provide the highest level of service for our residents.

The fiscal results for the current year ending June 30 will result in revenues being slightly higher than originally budgeted. We have continued to improve the infrastructure of the City through capital projects and provide our departments with the equipment necessary to continue and improve the current level of service.

For fiscal year 2007, we anticipate that the economy and growth in the community will continue to improve our financial outlook as we project revenues to increase by 3.0%. Our steady growth has created the need to incorporate much of the projected revenue increase into the budget process. The projected General Fund totals \$29,608,087. The operating expenditures are projected to increase 8.0 % over those amounts budgeted for the current fiscal year. Much of these costs are associated with the recent addition of paramedics in the Fire Department, as well as the addition of personnel in the Police Department and Public Services department. We also must face the increased cost of gasoline, diesel fuel and natural gas, the rising costs of all types of insurance including our liability, workers compensation and health insurance as well as the state mandated increases in retirement costs. In addition, the proposed budget includes funds for the development of the acreage at the Old City Building Site on U.S. 42. Discussion for that site currently includes working toward obtaining available grant money to help

fund the construction of a Senior Citizens Center as well as a neighborhood park in that location.

We are fortunate that we continue to experience growth and development. Total construction costs in the City of Florence for 2005 were just over \$87.1 million. 188 Building Permits for new housing units were issued during the year with the Orleans Subdivision being the fastest growing subdivision in Boone County. The City of Florence is the 12th largest city in the state and home to 26,319 residents. In 2005, the City of Florence grew by just over 49 acres through the annexation of 6 separate parcels of property. As a city, we strive to be the benchmark in the Northern Kentucky and Greater Cincinnati area by offering our residents and businesses the best in professional, first class service.

During the past year, the City of Florence saw several personnel related changes occur. Nearly every City department saw changes in the form of on-going reorganization, retirements, or promotions.

Long time Fire/EMS Department Administrative Assistant Carol Richards retired with nearly 15 years of service to the City. Fire/EMS Department employee Kathleen Bresch was promoted to the Administrative Assistant position. Chief Marc Muench continued making changes related to the Fire/EMS Department reorganization plan. During the year, Fire

Marshall Bob Krebs and Training Commander Chris Miller joined the department. The Chief's efforts have also involved the evaluation of a contracted service for Advanced Life Support (Paramedic) service versus the in-house provision of Paramedic service. This past winter, City Council accepted Chief Muench's recommendation to bring ALS service in house. Recently, the last of the 14 new personnel were sworn in making it possible to have paramedics as city staff members, as we continue to offer ALS service to the residents of Florence.

Several changes occurred within the Police Department as a result of Chief Tom Szurlinski's plan to reorganize the department. The Assistant Chief's position was eliminated and two new Captain positions' were created. Lt. John McDermond and Sgt. Detective Linny Cloyd were promoted to the rank of Captain. Joe Maier and Pat Flaherty were promoted to the rank of Lieutenant. Senior Police Officer Steve Butts was promoted to the rank of Sergeant.

Last August, the Police Department said goodbye to Lt. Tom Dusing who retired with 26 years of service to the City and, more recently, Sgt. Mark Knipper retired on March 31, with 18 years of service to the City. Lt. Tim Chesser retired on May 31, with 21 years of service. We thank Lt. Dusing, Sgt. Knipper and Lt. Chesser for their years of service to the City.

The Public Services Department said goodbye to Calvin Morris who retired after 20 years of service with the City due to health issues. Eric Hall and Ben Horgan were promoted from the maintenance division in the Public Services Department to fill vacant positions in the inspections division.

The City welcomed Colin Campbell as the new Information Technology Director. Colin previously served as an IT consultant to the City. Finally, Aleshia Hennekes was promoted from part-time Data Analyst to full-time Data Analyst this past January.

Our 60 member public services department continues to keep our community looking first class by professionally managing and maintaining streets, sidewalks, buildings, grounds, fleet services, water, sanitary sewer, storm water, capital improvements, urban forestry, code enforcement, and the complaint/request program.

Road improvements completed or nearly completed during the past year include storm water improvements and complete concrete replacement on Cardinal Drive, Cardinal Place and Kennedy Court; improvements on Center Street, Spiral Drive, Hansel Avenue, and Foltz Drive included curb repair, pavement milling, and overlay; improvements on Lake Drive, Dogwood Lane, Lucas Street, and Shenandoah Drive included curb repair, miscellaneous concrete slab replacement, and an overlay with new asphalt;

Center Park Drive, Foster Avenue, and Yealey Drive received curb repair, miscellaneous storm water improvements, pavement milling and overlay; while Banklick Street, Russell Street, Oblique Street, Steilen Drive, Wellington Drive, and Farmview Drive received concrete street panel replacement work.

Through the efforts of United States Senator Jim Bunning and the State of Kentucky, funding is being provided for the improvement of Industrial Road. After many delays, the portion of Industrial Road between U.S. 25 and U.S. 42 is now scheduled to be bid out in the Fall of 2006. Improvements will include a 5-lane road with sidewalks on both sides. Due to a funding shortage, the portion of Industrial Road between U.S.25 and Turkeyfoot Road will not be bid out until additional funding is secured. This phase of Industrial Road is planned to be a three-lane road with sidewalks. The Industrial Road project runs through two counties and three cities and each of these government agencies have agreed to provide seed money for this project. Our portion is estimated to be approximately 1 % of the total cost.

The redevelopment of Mall Road remains an important priority for the city. We are seeing more than \$15 million dollars worth of construction and redevelopment taking place along the road at this time, with the demolition

and redevelopment of the former Chi-Chi's site, the tear down and reconstruction of the old Taco Bell using the most current Taco Bell prototype, the recent completion of the new building housing Qdoba Mexican, Coldstone Creamery, and the Mattress Firm; and the new food court, retail space, and atrium at the Mall itself. National Amusements has announced that a new 14-screen state of the art movie theatre will be constructed on the Mall Property near the expressway, with a ground breaking scheduled for October of this year. We have been in contact with our local, state and federal representatives and continue to work on ways to obtain the funding for the reconstruction of Mall Road itself.

A water main extension occurred along Weaver Road and a water main extension will occur soon along U.S. 25 to improve hydraulics in the City water system. Additional water line loop projects are planned for the Orleans Subdivision/Farmview Subdivision area and in the Blackstone Drive/Shepard Lane area during the coming fiscal year.

During the current fiscal year, the Public Services Department completed a cooperative project with 12 cities and counties from around Kentucky that created a Storm Water Best Practices manual to assist with Phase 2 storm water requirement compliance. The Public Services Department and City Engineer worked in conjunction with GRW Engineers

to complete the storm water master plan update. Storm water projects completed during the year includes the replacement of a large culvert pipe under Utz Drive; a storm water improvement project between Locust Lane and Raintree Road; and a storm water project that involved the installation of 580 feet of slotted drain pipe along Claxon Drive.

Several sanitary sewer projects were completed in the past year or are in the process of being completed. Upgrades to increase capacity at the Fowler Creek pump station were completed, as was the relining of approximately 950 feet of sanitary sewer transmission line off Turfway Road with another 1,000 feet scheduled to be relined next fiscal year, completed a sewer line extension along Gunpowder Road to accommodate five property owners who annexed into Florence, and completed the replacement of the variable frequency drives at the Rosetta Drive Pump Station. Additionally, the 2005 Sanitary Sewer Overflow Plan was completed and submitted to the Kentucky Division of Water.

The implementation of the Code Enforcement Board continues to have a positive impact on our community resulting in a more effective and rapid resolution of violations. Our snow removal program is second to none and receives compliments and praise every time we are called into service. We continue to count on the Public Services for excellent service.

During the current year, new corporation limit signs were installed at each of the eleven entrances to the City. A community improvement project along I-75 adjacent to Champion Window Field that includes landscape walls and landscaping is currently underway. The proposed budget includes funds to implement the next phase of our signage program which includes wayfinding signage and supplemental guide signs along the interstate designed to help residents and visitors more easily find the various destinations and districts in Florence.

Our commitment to provide top quality recreational facilities for our residents continues as we begin the fourth year of operation of our Family Aquatic Center on the Government Center campus. As you know, the Aquatic Center is a beautiful water park designed to ensure years of fun for the entire family. The Florence/Boone County Skate Park is also in its fourth year of operation on the Government Center property as it continues to be a regional favorite.

Development continued on our newest park located off Burlington Pike between Wallace and Kathryn Avenue. This 8.4-acre park known as Stringtown Park currently has a trail system under construction that was partially funded by a grant. Parks and Recreation continues to provide other

recreational activities such as TaeKwonDo Classes, baby-sitting classes, tennis lessons, and scrapbook classes.

The fitness and racket ball facility at the city owned World of Sports Complex was closed and an agreement was executed with Sports of All Sorts in Florence to provide state of the art fitness facilities and a variety of other recreational amenities to our residents at a reduced member rate. Members of City Council and I will continue to evaluate the remaining World of Sports facilities and Golf Course to determine the types of improvements necessary and the associated cost and funding sources.

Our tree planting program is continuing, thanks to the efforts of the Urban Forest Commission and the willingness of this and prior councils to budget monies for the projects. I think we will all agree the tree-lined streets are a positive enhancement to our city. The Urban Forest Commission completed the second phase of the Houston Road area project last year.

The long awaited Safety City project is expected to begin moving forward during the coming fiscal year. The City recently received confirmation from federal authorities that the grant funds provided for the project can now be used for construction purposes instead of maintenance purposes. We are pleased our continued negotiations with federal authorities

are coming to a conclusion and the Safety City project may soon become a reality.

The IT Department continues to perform upgrades to the city's computer network with much needed modern equipment. The Information Technology Department has worked hard to ensure the technology changes run as smoothly as possible. The department continues to work on improvements to our web site that can be found at www.cityofflorenceky.com. We continue to explore other uses of e-commerce including downloading forms for occupational licenses and other city services.

The Fire/EMS Department continues to operate two fire stations 24 hours a day, seven days a week with paid personnel. We also provide volunteer staffing at our third fire station on Main Street. We count on our volunteers who make themselves available to complete our Fire & EMS department, and allow us to maintain our high level of service to the community. True volunteers are one of our greatest assets and we are extremely grateful that they are willing to spend their time and energy with the City of Florence. After completing a very successful volunteer recruitment drive last year, the Fire Department is in the process of training the second group of volunteer recruits.

The City has 54 sworn police officers that participate in a multitude of programs with plans to add 4 more officers during the coming year. Our Bike Patrol provides opportunities within the neighborhoods; our Community Resource Officers continue to offer many innovative programs such as the very successful Citizens Police Academy, Business Police Academy, Forensic Camp for middle school students, and the upcoming Student Police Academy for High School Students. These classes have provided the city with a tremendous opportunity for up close and personal interaction with the public and a new source for volunteers. Our SWAT Team has successfully negotiated the peaceful end to numerous incidents. Florence police cars are equipped with Mobile Data Computer Terminals that allow our officers to have direct access to records checks and the LINK and NCIC.

The Administrative Department provides support in the form of tax collection and licensing, water bill collections, economic development, Human Resources, Records maintenance by the City Clerk's Office as well as Public Relations and coordination of Community Events. The department introduced a new resident orientation program this year that is designed to help the newest members of our community become familiar with all the programs and services the City has to offer. The second of four sessions

planned this year occurred last night. We have not attracted the number of new residents we hoped to, and so we will continue to explore ways to provide this information in a way that is beneficial to our new residents. The Finance Department worked hard with all city departments to ensure the smooth implementation of the new financial software this past year. The support services are an important and sometimes forgotten part of the smooth operation of city government.

During the past year, the City received assistance from Congressman Geoff Davis's Office in recovering \$135,000 in stolen funds placed in escrow with the IRS for estimated taxes, by Ron Epling. Congressman Davis's assistance was critical to the recovery of these funds. Members of City Council and I are grateful to the Congressman for his leadership in bringing this matter to a successful conclusion. We continue to work with our legal team to resolve the final embezzlement issue regarding estimated state taxes. This final issue is expected to be resolved in the coming year.

For the third consecutive year, the Government Finance Officers Association of the United States and Canada recognized the City of Florence for Excellence in Financial Reporting for its comprehensive annual financial report (CAFR). This Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting

and its attainment represents a significant accomplishment by a government and its management. The City Council and I are extremely pleased we have achieved this recognition again as it represents an accomplishment few agencies attain. Many thanks go out to our Finance Director, Linda Chapman, for her hard work in preparing the Award Winning Comprehensive Annual Financial Report.

The community meeting rooms here at the Government Center continue to be well used and provide an added benefit to our citizens and community groups who require a safe and affordable place to hold meetings. The Veterans Memorial remains a source of pride and provides the perfect backdrop for community events held, including the Memorial Day ceremony, Patriots Day, and Veterans Day.

The Florence Freedom recently started their second year under the professional leadership of Clint Brown. Clint's organization, Canterbury Baseball, has created an opportunity for our residents and the entire Northern Kentucky community to enjoy, not only American's favorite past time but also, an evening of low cost family entertainment that City Council and I envisioned several years ago when the first discussions about professional baseball in Florence began. I think you would have to agree;

there is truly something to interest everyone when you go to a baseball game at Champion Window Field.

We are very fortunate to have the One Stop State Office Building within walking distance. During the current year the administration signed a lease to bring the One-Stop Annex into the former Cinergy space in the Government center. The One-Stop Annex is a collaborative project between the NKADD, Gateway Technical and Community College, and the Boone County Adult Education center. The satellite offices for the Boone County Circuit Court Clerk and the Boone County Clerk provide the citizens of Florence as well as other parts of Boone County with the ability to renew driver's licenses and automobile tags without making a trip to Burlington. This is one more way the city continues to provide access to local and state government offices and services.

The city remains committed to our biggest asset and that is the people who work and volunteer to provide the very best service to our citizens. No matter what we identify as needs within our city budget, the implementation and execution of those needs fall on the shoulders of our employees and volunteers. It is through their hard work and dedication that our community remains safe, attractive, affordable and fun. We truly appreciate their efforts!

The budget we're reviewing makes the best use of taxpayer funds, improves our already high level of service and is fair. I will remind you all that it is a working document, subject to change, as needed throughout the year as Council desires.

Our dedication to providing the highest level of service at the lowest possible cost remains our goal. This budget, as in the past, adheres to the conservative philosophy of this and prior Councils.

Again, I would like to express my sincere thanks to our employees, the many volunteers and each of you on council for your dedication, support and encouragement. There will be many challenges facing Council in the future, but I am confident that the decisions we make will be in the best interest of the city. Our future is bright. I look forward to the completion of these and many other projects during the next fiscal year. We continue in the knowledge that Florence is a great place to live, work and play and our commitment is to make it even better.